

1 LATHAM & WATKINS LLP
 2 Patrick E. Gibbs (SBN 183174)
 3 Jennie Foote Feldman (SBN 248375)
 4 140 Scott Drive
 5 Menlo Park, California 94025
 6 Telephone: (650) 328-4600
 7 Facsimile: (650) 463-2600

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 10 Attorneys for Defendants Terayon Communication
 11 Systems, Inc., Zaki Rakib, Jerry D. Chase, Mark A.
 12 Richman, Edward Lopez, Ray Fritz, Carol
 13 Lustenader, Matthew Miller, Shlomo Rakib, Doug
 14 Sabella, Christopher Schaepe, Mark Slaven, Lewis
 15 Solomon, Howard W. Speaks, Arthur T. Taylor, and
 16 David Woodrow

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UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA

13 ADRIAN MONGELI, Individually, And On
 14 Behalf Of All Others Similarly Situated,
 15 Plaintiff,

16 v.
 17 TERAYON COMMUNICATION
 18 SYSTEMS, INC., ZAKI RAKIB, JERRY D.
 19 CHASE, MARK A. RICHMAN, EDWARD
 20 LOPEZ, RAY FRITZ, CAROL
 21 LUSTENADER, MATTHEW MILLER,
 22 SHLOMO RAKIB, DOUG SABELLA,
 23 CHRISTOPHER SCHAEPE, MARK
 24 SLAVEN, LEWIS SOLOMON, HOWARD
 25 W. SPEAKS, ARTHUR T. TAYLOR,
 26 DAVID WOODROW, and ERNST &
 27 YOUNG, LLP,

28 Defendants.

CASE NO.: 3-06-CV-03936 MJJ

CLASS ACTION

**NOTICE OF SETTLEMENT IN PRINCIPLE
 AND JOINT REQUEST TO TAKE MOTION
 TO DISMISS OFF-CALENDAR**

Judge: Honorable Martin J. Jenkins

1 **NOTICE OF SETTLEMENT IN PRINCIPLE AND JOINT**
 2 **REQUEST TO TAKE MOTION TO DISMISS OFF-CALENDAR**

3 PLEASE TAKE NOTICE that Terayon Communication Systems, Inc. ("Terayon" or the
 4 "Company") and the "Individual Defendants" (as defined below) have reached an agreement in
 5 principle with Lead Plaintiff Adrian Mongeli, acting on behalf of the putative class, to settle the
 6 above-captioned matter. The "Individual Defendants" are Zaki Rakib, Jerry D. Chase, Mark A.
 7 Richman, Edward Lopez, Ray Fritz, Carol Lustenader, Matthew Miller, Shlomo Rakib, Doug
 8 Sabella, Christopher Schaepe, Mark Slaven, Lewis Solomon, Howard W. Speaks, Arthur T.
 9 Taylor, and David Woodrow.

10 In light of this agreement in principle, and in order to preserve party and judicial
 11 resources, Terayon, the Individual Defendants and Lead Plaintiff Adrian Mongeli hereby request
 12 that the Court take off-calendar the motion to dismiss filed by Terayon and the Individual
 13 Defendants, which is currently scheduled for hearing on October 25, 2007 at 9:30 AM. This
 14 request does not apply to the motion to dismiss separately filed by Defendant Ernst & Young
 15 LLP, which is also scheduled for hearing on October 25, 2007 at 9:30 AM.

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17 Dated: October 4, 2007

Jennie Foote Feldman

Patrick E. Gibbs

LATHAM & WATKINS LLP

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By _____ /s/

Patrick E. Gibbs

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Dated: October 4, 2007

Joseph E. White, III
SAXENA WHITE, P.A.

By _____ /s/
Joseph E. White, IIILead Counsel for Lead Plaintiff and the
Class